

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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	:
In re	:
	:
LEHMAN BROTHERS HOLDINGS INC., et al.,	:
	:
Debtors.	:
	:
	:
-----X	

Chapter 11 Case No.
08-13555 (JMP)
(Jointly Administered)

**AFFIDAVIT AND DISCLOSURE STATEMENT OF PAUL N. SILVERSTEIN,
ON BEHALF OF ANDREWS KURTH LLP**

STATE OF NEW YORK)
) ss:
COUNTY OF NEW YORK)

PAUL N. SILVERSTEIN, being duly sworn, upon his oath, deposes and says:

1. I am a member of Andrews Kurth LLP, located at 450 Lexington Avenue, New York, New York 10017 (the "Firm").

2. Lehman Brothers Holdings Inc. ("LBHI") and its affiliated debtors in the above-captioned chapter 11 cases, as debtors and debtors in possession (together, the "Debtors") and, collectively with their non-debtor affiliates, "Lehman"), have requested that the Firm provide legal services to the Debtors, in connection with the purchase and sale of syndicated bank debt and other non-public debt, including trade claims. The Firm, which provided such services to Lehman prior to the Petition Date, has agreed to continue to provide such services.

3. The Firm may have performed services in the past and may perform services in the future, in matters unrelated to these chapter 11 cases, for persons that are parties in interest in the Debtors' chapter 11 cases. As part of its customary practice, the Firm is retained in cases, proceedings, and transactions involving many different parties, some of whom

may represent or be claimants or employees of the Debtors, or other parties in interest in these chapter 11 cases.

4. Neither I, nor any principal of, or professional employed by the Firm has agreed to share or will share any portion of the compensation to be received from the Debtors with any other person other than the principals and regular employees of the Firm.

5. Our Firm represents clients in matters wholly-unrelated to the matters on which the Firm has been employed, including matters involving the SIPC proceeding for Lehman Brothers Inc. Additionally, the Firm represents entities in two matters set forth on Exhibit A (attached hereto), which are of similar subject matter to the matters on which the Firm has been employed. With respect to the two matters identified above and in Exhibit "A," the Debtors and such entities have waived potential conflicts.

6. The Debtors owe the Firm \$864,500.75 for prepetition services.

7. The Firm is conducting further inquiries regarding its retention by any creditors of the Debtors, and upon conclusion of that inquiry, or at any time during the period of its employment, if the Firm should discover any facts bearing on the matters described herein, the Firm will supplement the information contained in this Affidavit.¹

By: 

Subscribed and sworn to before me
this 17th day of November, 2008


Notary Public

LISA LEAVITT
Notary Public, State of New York
No. 01LE6153458
Qualified in New York County
Commission Expires Oct. 2, 2010

¹ If necessary.

Exhibit A

Entity Represented	Matter	Trade Date
HBK Capital Management	Purchase of trade claim from Lehman	5/14/08
Apidos Capital Management, LLC	Sale of bank debt to Lehman	7/25/08

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RETENTION QUESTIONNAIRE

TO BE COMPLETED BY PROFESSIONALS EMPLOYED BY LEHMAN BROTHERS HOLDINGS INC. OR ANY OF ITS DEBTOR AFFILIATES (collectively, the "Debtors")

DO NOT FILE THIS QUESTIONNAIRE WITH THE COURT.
RETURN IT FOR FILING BY THE DEBTORS, TO:

Weil, Gotshal & Manges LLP
767 Fifth Avenue
New York, New York 10153
Attn: Jennifer Sapp
Christopher Stauble

All questions **must** be answered. Please use "none," "not applicable," or "N/A," as appropriate. If more space is needed, please complete on a separate page and attach.

1. Name and address of firm:

Andrews Kurth LLP
450 Lexington Avenue - 15th Floor
New York, New York 10017
Attn: Paul N. Silverstein

2. Date of retention: **Nunc pro tunc the Petition Date**
3. Type of services provided nunc pro tunc the Petition Date (accounting, legal, etc.): **Legal Services**

4. Brief description of services to be provided: **Representing the Debtors in connection with the purchase and sale of syndicated bank debt and trade claims**
5. Arrangements for compensation (hourly, contingent, etc.): **Hourly**
 - (a) Average hourly rate (if applicable): **Firm's billing rates range from approximately \$325 to \$910 for attorneys and from \$170 to \$235 for paralegals.**

Estimated average monthly compensation based on prepetition retention (if firm was employed prepetition): **\$150,000**
6. Prepetition claims against the Debtors held by the firm: **See Exhibit A**
7. Prepetition claims against the Debtors held individually by any member, associate, or professional employee of the firm: **See Exhibit B**
8. Stock of the Debtors currently held by the firm:

Kind of shares: **N/A**

No. of shares: **N/A**
9. Stock of the Debtors currently held individually by any member, associate, or professional employee of the firm: **See Exhibit C**
10. Disclose the nature and provide a brief description of any interest adverse to the Debtors or to their estates with respect to the matters on which the above-named firm is to be employed. **Our Firm represents clients in matters wholly-unrelated to the matters on which the Firm has been employed, including matters involving the SIPC proceeding for Lehman Brothers Inc. Additionally, the Firm represents entities in two matters set forth on Exhibit D, which are of similar subject matter to the matters on which the Firm has been employed. With respect to the two matters identified in above, the Debtors and such entities have waived potential conflicts.**
11. Name of individual completing this form: **Paul N. Silverstein**

EXHIBIT A

FIRM'S PRE-PETITION CLAIMS AGAINST DEBTORS

Date(s) Claim Arose	Description	Claim Amount
Summer 2008	Legal Services — Underwriting/Corporate Securities	\$135,000
4/08-8/08	Legal Services — Underwriting/Corporate Securities	\$50,081.34
2/08-8/08	Legal Services — Underwriting/Corporate Securities	\$238,093.88
5/08-6/08	Legal Services — Underwriting/Corporate Securities	\$215,369.41
2/08-4/08	Legal Services — Underwriting/Corporate Securities	\$56,123.54
5/08-9/08	Legal Services — Underwriting/Corporate Securities	\$169,832.58
Total		\$864,500.75

EXHIBIT B

INDIVIDUAL(S) PRE-PETITION CLAIMS AGAINST DEBTORS

Name	Status	Claim Amount	Date(s) Claim Arose	Description
Roy Bertolatus	Partner	\$10,000	4/28/2008	Lehman Brothers Holdings Inc. MTN BE 4.375% due 11/30/2010

EXHIBIT C

DEBTORS' STOCK HELD BY INDIVIDUALS

Name	Status	Kind of Shares	Number of Shares
Joe Hoffman	Partner	LEHMQ.PK	900
Thomas Bateman	Partner	LEHMQ.PK	940

Exhibit D

Entity Represented	Matter	Trade Date
HBK Capital Management	Purchase of trade claim from Lehman	5/14/08
Apidos Capital Management, LLC	Sale of bank debt to Lehman	7/25/08